



**MINUTES OF JUNE 2, 2015 REGULAR MEETING OF THE COVINA CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY /COVINA PUBLIC FINANCING AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA**

**CALL TO ORDER**

Mayor King called the Council/Agency/Authority meeting to order at 6:30 p.m., with all members of the City Council present.

**ROLL CALL**

**Council Members Present:** ALLEN, DELACH, KING, MARQUEZ, STAPLETON

**Council Members Absent:** NONE

**Elected Members Present:** COBBETT, WALCZAK

**Staff Members Present:** City Manager Miller, City Attorney Lee, Police Chief Raney, L.A. County Acting Assistant Fire Chief Enriquez, Parks and Recreation/Library Director Hall-McGrade, Public Works Director Foster, City Planner Carter, Senior Housing and CDBG Economic Development Manager Gasser, Electronic Resource Analyst Kadir, and Interim Chief Deputy City Clerk Leach.

**AGENDA POSTING DECLARATION**

The Chief Deputy City Clerk of the City of Covina hereby declares the Council/Agency/Authority agenda for the June 2, 2015 meeting was posted on May 28, 2015 near the front entrance of City Hall, 125 East College Street, Covina, near the front entrance of the Covina Public Library, 234 N. Second Avenue, Covina, by the front entrance lobby of the Joslyn Center, 815 N. Barranca Avenue, Covina, and on the City's website in accordance with §54954.2(a) of the California Government Code.

**CLOSED SESSION** – No matters scheduled.

**CALLED TO ORDER**

The City Council/Successor Agency to the Covina Redevelopment Agency/Public Financing Authority/Housing Authority meeting was called to order at 7:30 p.m.

**PLEDGE OF ALLEGIANCE**

Council Member Marquez led the pledge of allegiance.

## **INVOCATION**

Covina Police Chaplain Dave Truax gave the invocation.

## **PRESENTATIONS** – No matters scheduled.

## **PUBLIC COMMENTS**

Mayor King stated that there were requests to speak from residents regarding the Banna project. He indicated that Council cannot enter into discussion about this matter because it is not on the Council Agenda.

City of Covina residents Elaine Treadwill and Shannon Welch spoke against the Banna project:

City of Covina resident Leonard Wayne Rose Jr. presented information regarding earthquakes, CPR and requirements for emergency situations.

## **COUNCIL/AGENCY/AUTHORITY COMMENTS**

Council Member Marquez recognized local hero memorial event and thanked the Police Department for their involvement.

Council Member Delach expressed appreciation indicating she hopes to never add another name to the memorial.

Council Member Allen complimented Mayor King and Chief Raney for a well done memorial service honoring Jordan Corder. He also expressed support of police officers and asked that prayers continue for officers going out each and every day to protect the public.

Mayor Pro Tem Stapleton said he went to Washington DC for the national memorial and was very impressed and very proud of the Covina Police Department. He discussed his attendance at ICSC conference and the presence of real estate professionals and commercial financing services. He also mentioned the Covina Wine Walk and a recent Rotary fund raising auction.

Mayor King commended the Covina Police for their participation at the memorial service for Jordan Corder. He also mentioned the Wine Walk adding that every dollar goes to various charity organizations.

## **CITY MANAGER COMMENTS** – None.

## **CONSENT CALENDAR**

- CC 1.** City Council approved the payment of demands in the amount of \$1,330,848.80.
- CC 2.** Successor Agency to the Redevelopment Agency received payment of demands in the amount of \$60,643.95.
- CC 3.** City Council adopted **Resolution No. 15-7352**, Amending the City of Covina Parks & Recreation Department's Fiscal Year 2014-2015 Operating Budget.
- CC 4.** City Council approved request by Valley Development Services Inc. for exemption from the City's business license tax. The organization is located at 1115 E. Puente Street, Covina.
- CC 5.** City Council approved Acceptance of Notice of Completion of Public Works Project No. F-1415: Police Department Heating Ventilation Air Conditioning (HVAC) System Upgrade.
- CC 6.** City Council authorized Execution of Memorandum of Understanding (MOU) Between Los Angeles County Flood Control District (LACFCD) and Cities of Baldwin Park, Covina, Glendora, Industry, La Puente, and South El Monte for Implementation of the Coordinated Integrated Monitoring Program (CIMP) for the Upper San Gabriel River Watershed.
- CC 7.** City Council authorized Execution of Memorandum of Agreement (MOA) with Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (GWMA) for Cost Sharing for Installation of Monitoring Equipment and Monitoring Pursuant to Dominguez Channel and Greater Los Angeles and Long Beach Harbor Waters (Harbor Toxic Pollutants) Total Maximum Daily Load (TMDL).
- CC 8.** City Council approved Change Orders Nos. 3, 6, 7, 10, 12, 13 & 14 for Project T-0814B, Pedestrian and Metrolink Station Improvements (increasing the construction contract by a total of \$44,546) authorized the City Manager to execute approved change orders.

On a motion made by Council Member Marquez, seconded by Council Member Allen, the City Council approved Consent Calendar items CC 1 through CC 8.

***Motion approved the Consent Calendar items CC 1 through CC 8, as follows:***

**AYES: ALLEN, DELACH, KING, MARQUEZ, STAPLETON**

**NOES: NONE**

**ABSTAIN: NONE**

**ABSENT: NONE**

## **CONTINUED BUSINESS**

### **CB 1. Budget Options Report**

City Manager Miller provided Council with a comprehensive Budget Options Report and recommendations. From that report the recommendations are listed below:

## **NEW OR EXPANDED REVENUE MEASURES**

### **1) User Fees and Cost Allocation**

#### **Recommendations:**

1. Direct staff to develop a cost recovery policy to be presented for Council's review and approval. The policy will establish guidelines related to the recovery of fees and provide guidance to staff in the development of participant fees for new recreation programs.
2. Each year, a fee analysis and cost allocation plan will be completed, and a proposed fee schedule based on the results of the analysis will be presented to the City Council for consideration and adoption.
3. Staff will implement effective administrative practices to ensure fees are collected.

### **2) Subsidies or Contributions by the City**

**Recommendation:** Direct the City Manager and staff to identify the various subsidies and in-kind support provided by the City; present the information to the City's Finance Committee; and request the Finance Committee to review and analyze the information and recommendations to the City Council.

### **3) Potential Tax Increases**

**Recommendation:** Request the City's Finance Committee review, evaluate, and make recommendations to the City Council regarding new or increased taxes; and if the Committee recommends pursuing certain tax measures, develop an action plan and schedule to seek voter approval of new or revised measures.

### **4) Property Assessment Audits**

**Recommendation:** Direct staff to engage a private firm to perform an audit of the property tax assessments to ensure data is current and accurate and the property taxes owed are received.

**4) Franchise Agreements and Long-Term Contracts**

**Recommendation:** Direct staff to review and evaluate all franchise agreements and contracts for cost savings and/or revenue generating opportunities. Present information to the City Council for direction as opportunities are identified.

**6) Utility Franchise Fee**

**Recommendation:** Analyze the amount of additional revenue that would be received by the City if the utility franchise fee was increased to 1%. Advocate for a change in legislation to correct the inequity of payments to cities of utility franchise fees.

**7) Paramedic Cost Recovery and Subscription Program**

**Recommendations:**

1. Direct staff to present information on the proposed paramedic cost recovery fee and paramedic subscription program to recover costs associated with Fire/Paramedic Service to the Finance Committee and request the Committee review and analyze the information and make a recommendation to the City Council.
2. If the paramedic cost recovery fee and paramedic subscription program are recommended, develop an ongoing marketing program for paramedic subscriptions with a goal of market penetration of at least 50% of households.

**8) False Alarm Fees**

**Recommendation:** Review and analyze the false alarm program, determine whether an adjustment to the fee and/or change in the practices related to the collection on first offenses is accomplishing the City's goals, and make recommendations.

**9. Asset Management**

**Recommendation:** Develop a comprehensive asset management program, identify market rental rates and subsidies, and sell unneeded and under-performing properties. Conduct an analysis of all property assets as part of the asset management program.

**COMPENSATION AND BENEFIT STRATEGIES**

**10) Vacant Positions and Overtime Reduction**

**Recommendations:**

1. Freeze all vacant positions except as approved by the City Manager.
2. Reduce overtime except for reimbursed overtime costs.

**11) Early Retirement Incentives**

**Recommendation:** Direct staff to identify possible incentives to promote early retirement and present options to the City Council for consideration.

**12) Salary Step Adjustments**

**Recommendation:** As part of the FY 2016/17 labor negotiations and successor Memoranda of Understanding, consider instructing staff to implement a 10 to 15 step range to spread out merit (performance) increases over six to nine years rather than the current three and a half to four years and present options to the City Council for consideration.

**13) Service Delivery Model Changes and Financial Philosophy and Policy Changes**

**a. Service Delivery Model Changes**

**Recommendation:** Direct the City Manager to evaluate the City's programs and services, and where she deems appropriate, to explore alternative service delivery models for the provision of City services and obtain proposals from other public and private agencies.

**b. Financial Philosophy and Policy Changes**

**Recommendations:**

1. Direct staff to review, revise and present to the City Council for adoption updated financial policies and a budget philosophy that reflect best practices and provide a meaningful and easy to understand framework for maintaining financial discipline.
2. Report on the state of the City's finances to the City Council and Finance Committee for public discussion at least quarterly.
3. Present an updated Ten-Year Financial Plan to the City Council and Finance Committee in December and June of each year.

Council Member Allen indicated he was in favor of all 13 recommendations. He stated he has been on Council since 1997, and has never seen such a comprehensive report.

Council Member Delach agreed with Council Member Allen.

Mayor Pro Tem Stapleton commended Council on hiring Andrea Miller as the City Manager. He said she is doing a great job.

Council Member Marquez thanked City Manager Miller and staff and supported looking at every single angle. He also supported the motion.

Council Member Delach stated that it feels good to be back on track. She added that she appreciates what staff has done.

City Manager Miller said with her many years in government she has seen bad budgets but has also seen cities' ability to recover. She added that with Council support, this will be recoverable and we are on the right path.

Mayor King stated that he was appreciative of all the work put into this budget. He added that in the 13 pages introduction to the budget there is more insight and data than Council had seen in many, many years.

On a motion made by Council Member Allen, seconded by Council Member Delach, the City Council approved all 13 recommendations listed above.

***Motion approved Continued Business item CB1, thereby approving all 13 recommendations listed above, as follows:***

**AYES: ALLEN, DELACH, KING, MARQUEZ, STAPLETON**

**NOES: NONE**

**ABSTAIN: NONE**

**ABSENT: NONE**

## **NEW BUSINESS**

**NB 1.** City Council to consider Resolutions relating to the annexation of territory to Community Facilities District No. 2007-1 (269-275 W. Center Street).

On a motion made by Council Member Allen, seconded by Council Member Marquez, the City Council adopted **Resolution No. 15-7353**, declaring its intention to authorize the annexation of territory to Community Facilities District No. 2007-1 (Public Services); and **Resolution No. 15-7354**, adopting boundary map showing territory proposed to be annexed in the future to CFD No. 2007-1 (Public Services). **Motion carried 4-1, with Mayor Pro Tem Stapleton abstaining.**

**NB 2.** Review of User Fees.

City Manager Miller reported on this item indicating that Acting Finance Director Pacheco and Senior Management Analyst Smith are available to provide details regarding User Fees.

Considerable questions and discussion followed regarding the information provided and the need for more detailed information.

City Manager Miller indicated this was just an informational item. The fee schedule with recommendations will come before Council at a later date. She also discussed the need for a policy statement.

RECEIVED AND FILED

NO ACTION TAKEN. STAFF WILL RETURN AT A LATER DATE WITH  
RECOMMENDATIONS.

Acting Assistant Fire Chief Enriquez arrived at 8:48 p.m.

**NB 3.** City Council to approve Contract Amendment No. 1 with Alliant Consulting, Inc. for Cougar Park Project #M-1204 in the amount of \$4,351.

On a motion made by Council Member Allen, seconded by Council Member Marquez, the City Council approved Contract Amendment No. 1 with Alliant Consulting, Inc. for Cougar Park Project #M-1204 in the amount of \$4,351, increasing the contract cost from \$19,410 to \$23,761. **Motion carried 5-0.**

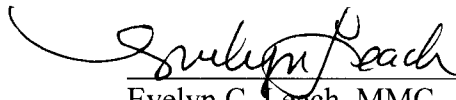
**NB 4.** Approve Change Orders Numbers 1-46 for Cougar Park Project #M-1204 completed by GMZ Engineering in the amount of \$204,665.33.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Allen, the City Council approved the approve Change Orders for Cougar Park Project #M-1204 completed by GMZ Engineering in the amount of \$204,665.33. **Motion carried 5-0.**

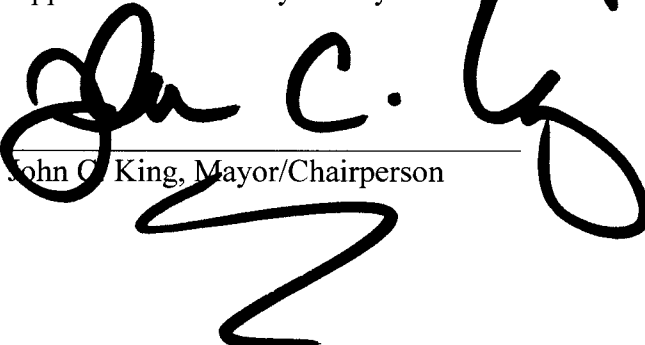
#### **ADJOURNMENT**

At 8:51 p.m., the meeting adjourned to the next regular meeting of the Council/Agency/Authority is scheduled for **Tuesday, June 16, 2015**, at 6:30 p.m., for closed session and 7:30 p.m., for open session in the Council Chamber located inside of City Hall, 125 East College Street, Covina, California, 91723.

Respectfully Submitted:

  
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Evelyn C. Leach, MMC  
Interim Chief Deputy City Clerk

Approved this 7th day of July 2015:

  
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John C. King, Mayor/Chairperson